

present in the ratio of "other services" to consumption. It is this category which contains most of the expenditures for the traditional personal services such as medical care, personal care, laundry and dry cleaning, recreation and the like. While the changes in the ratio are small, the magnitudes involved are large, and the offsetting effects in durable goods demand significant.

TABLE 3.—Percentage distribution of personal consumption, constant dollars  
[Percent of total consumption]

| Year      | Durable goods | Nondurable goods | Services total | Services less housing | Housing | Household operation | Transportation | Other services |
|-----------|---------------|------------------|----------------|-----------------------|---------|---------------------|----------------|----------------|
| 1947..... | 11.9          | 53.8             | 34.3           | 23.7                  | 10.5    | 4.4                 | 3.9            | 15.3           |
| 1948..... | 12.3          | 52.7             | 34.9           | 23.9                  | 11.0    | 4.6                 | 3.9            | 15.5           |
| 1949..... | 12.9          | 52.0             | 35.1           | 23.7                  | 11.4    | 4.6                 | 3.7            | 15.4           |
| 1950..... | 14.8          | 50.4             | 34.8           | 23.4                  | 11.4    | 4.7                 | 3.5            | 15.2           |
| 1951..... | 13.4          | 50.9             | 35.8           | 23.8                  | 11.9    | 5.0                 | 3.6            | 15.2           |
| 1952..... | 12.7          | 51.3             | 36.0           | 23.9                  | 12.2    | 5.0                 | 3.6            | 15.2           |
| 1953..... | 14.1          | 50.3             | 35.6           | 23.6                  | 12.0    | 5.0                 | 3.5            | 15.1           |
| 1954..... | 13.6          | 50.1             | 36.3           | 24.0                  | 12.2    | 5.1                 | 3.3            | 15.6           |
| 1955..... | 15.5          | 49.0             | 35.5           | 23.7                  | 11.8    | 5.3                 | 3.2            | 15.2           |
| 1956..... | 14.4          | 49.3             | 36.3           | 24.3                  | 12.0    | 5.5                 | 3.1            | 15.6           |
| 1957..... | 14.2          | 49.0             | 36.9           | 25.2                  | 11.7    | 5.7                 | 3.1            | 15.7           |
| 1958..... | 13.1          | 48.9             | 38.0           | 25.0                  | 13.0    | 5.9                 | 3.0            | 16.1           |

Source: U.S. Income and Output; table II-5.

Examination of this data emphasizes the cyclical stability of services consumption. During recession years the share of total consumption accounted for by services typically increases because total consumption declines more than service consumption. In 1948-49 and again in 1954 there was a bulge in the ratio of services to total consumption which is especially noticeable. It is striking that the ratio increased in 1956 and 1957 as well as in the recession years 1954 and 1958.

In general the same behavior can be observed when the ratio of total services (including Government) to total gross national product is examined. The ratio fluctuates very closely around 33 percent except in 1949, 1952, 1954, and 1956-58. The increase in the importance of services in 1949 and 1954 is the recession effect mentioned above. The 1952 increase was due to the abnormal Government service requirements associated with the Korean war and does not show up in the personal consumption ratio.

In contrast with the real consumption data discussed above, current dollar expenditure data show a rather steady increase in share spent in the service sector year after year. There is a trend like progression from 21.7 percent of consumption expenditures to 25.7. (See table 4.)

TABLE 4.—Percentage distribution of personal consumption expenditures, current dollars  
[Percent of total consumption expenditures]

| Year      | Durable goods | Non-durable goods | Services, total | Services less housing | Housing | Household operation | Transportation | Medical care | Other |
|-----------|---------------|-------------------|-----------------|-----------------------|---------|---------------------|----------------|--------------|-------|
| 1947..... | 12.4          | 56.5              | 31.1            | 21.7                  | 9.4     | 4.5                 | 3.3            | 4.6          | 9.2   |
| 1948..... | 12.7          | 55.3              | 31.9            | 22.0                  | 9.9     | 4.4                 | 3.4            | 4.9          | 9.4   |
| 1949..... | 13.6          | 53.3              | 33.1            | 22.5                  | 10.6    | 4.6                 | 3.4            | 5.0          | 9.5   |
| 1950..... | 15.6          | 51.2              | 33.3            | 22.4                  | 10.9    | 4.8                 | 3.2            | 5.0          | 9.4   |
| 1951..... | 14.1          | 50.1              | 33.5            | 22.5                  | 11.0    | 4.8                 | 3.3            | 5.0          | 9.2   |
| 1952..... | 13.2          | 52.4              | 34.4            | 22.9                  | 11.5    | 4.9                 | 3.4            | 5.1          | 9.5   |
| 1953..... | 14.1          | 50.7              | 35.2            | 23.4                  | 11.8    | 5.0                 | 3.4            | 5.2          | 9.6   |
| 1954..... | 13.6          | 50.1              | 36.3            | 24.1                  | 12.2    | 5.1                 | 3.3            | 5.5          | 10.1  |
| 1955..... | 15.4          | 48.6              | 36.0            | 24.1                  | 11.9    | 5.2                 | 3.2            | 5.4          | 10.1  |
| 1956..... | 14.2          | 48.7              | 37.0            | 24.9                  | 12.1    | 5.5                 | 3.2            | 5.7          | 10.5  |
| 1957..... | 14.0          | 48.3              | 37.5            | 25.1                  | 12.4    | 5.5                 | 3.1            | 5.8          | 10.7  |
| 1958..... | 12.8          | 48.4              | 38.7            | 25.7                  | 13.0    | 5.8                 | 3.1            | (1)          | 16.9  |

<sup>1</sup> Included in "Other."

Source: "U.S. Input and Output," table II-6.